

AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: February 27, 2024

Final Decision Date Deadline: February 27, 2024

STATEMENT OF THE ISSUE: At the November 17, 2021, Regular Meeting of the Richmond Rent Board, the Board adopted Regulation 425, titled, "Waiver of Delinquent Residential Housing Fee Assessment. As required by Regulation 425, the Executive Director or his or her designee shall review all late fee waiver requests and issue a recommendation for the Rent Board to approve the waiver, in full or in part, or deny the waiver, based on the Landlord's reason for requesting the waiver and their payment history. Attached to this recommendation for the month of February 2024, are the compiled late fee waiver requests and associated documentation.

INDICATE APPROPRIATE BODY

- | | | | | |
|---|---|--|--|---|
| ☐ City Council | ☐ Redevelopment Agency | ☐ Housing Authority | ☐ Surplus Property Authority | ☐ Joint Powers Financing Authority |
| ☐ Finance Standing Committee | ☐ Public Safety Public Services Standing Committee | ☐ Local Reuse Authority | ☒ Other: <u>Rent Board</u> | |

ITEM

- | | | |
|---|--|--|
| ☐ Presentation/Proclamation/Commendation (3-Minute Time Limit) | | |
| ☐ Public Hearing | ☐ Regulation | ☒ Other: <u>CONSENT CALENDAR</u> |
| ☐ Contract/Agreement | ☐ Rent Board As Whole | |
| ☐ Grant Application/Acceptance | ☐ Claims Filed Against City of Richmond | |
| ☐ Resolution | ☐ Video/PowerPoint Presentation (contact KCRT @ 620.6759) | |

RECOMMENDED ACTION: APPROVE late fee waiver(s) for February 2024 pursuant to Regulation 425 - Rent Program (Fred Tran/510-620-6537).

AGENDA ITEM NO:

F-4.

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Late Fee Waiver Summary – February 2024 Board Meeting

Property Street	Property Owner	Date of Request	Reason for Request	Recommendation to Approve or Deny	Late Fee Amount	Total Late Fees Waived if Approved	Recommended Late Fee Amount (if any)
1 529 21st Street	John Hayden	February 24, 2023	Transfer of Property Management Company	Full waiver of late fees	\$1,582.00	\$1,582.00	None
2 210 Tunnel Ave	Han & Jean LLC	October 20, 2022	Did not receive the invoice	Late fee reduced to at least 10%	\$2,034.00	\$1,627.20	\$406.80
3 3329 Wall Avenue and 420 37th Street	Mehari Gebremichael	March 1, 2023	Wrong mailing address	Full waiver of late fees	\$365.50	\$365.50	None
4 701 Lincoln Avenue	Leonardo Lopez	February 27, 2023	New Owner, did not receive invoice	Full waiver of late fees	\$1,284.00	\$1,284.00	None

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To: Members of the Richmond Rent Board

From: Fred Tran, Deputy Director

Re: Late Fee Waiver Recommendation – 210 Tunnel Avenue

Date: February 27, 2024

Late Fee Waiver Recommendations Pursuant to Regulation 425

As required by Regulation 425, the Executive Director or his or her designee shall review all late fee waiver requests and issue a recommendation for the Rent Board to approve the waiver, in full or in part, or deny the waiver, based on the Landlord's reason for requesting the waiver and their payment history. Attached to this recommendation are the compiled late fee waiver requests and associated documentation including the table below with details on each month's request.

Summary of Late Fee Waiver Requests and Recommendation for February 2024:

Property Owner	Date of Request	Reason for Request	Recommendation to Approve or Deny	Late Fee Amount	Total Late Fees Waived if Approved	Recommended Late Fee Amount (if any)
Han & Jean LLC	October 20, 2022	Owner did not receive the Invoice	Partial Waiver to the 10% penalty level	\$2,034.00	\$1,627.20	\$406.80

Good Cause and Late Payment History

Regulation 425 requires a showing of Good Cause prior to waiving any late fee assessment. Good Cause is defined as the taking of reasonable efforts, while acting with due diligence to remit timely payment of the Residential Rental Housing Fee. In other words, it is an evaluation of whether the Landlord took reasonable efforts and acted with due diligence in their attempt to pay the Residential Rental Housing Fee. Regulation 425 guides this inquiry by requiring the Executive Director evaluate applicable enumerated factors (Attachment 1) prior to making a determination of whether there exist Good Cause to grant the request. Finally, Regulation 425 establishes that a Rent Program billing error would always constitute Good Cause to waive the late fee assessment.

Claim of "Good Cause"

In the request dated October 20, 2022, (Attachment 1) Han & Jean LLC the property owner at 210 Tunnel Avenue indicated that the reason for paying late was that the invoices were not received. They paid the outstanding fees on January 9, 2023 after receiving their invoice.

Rent Program staff confirmed Han & Jean LLC met the requirements of enrolling the property on February 1, 2019. Rent Program staff confirmed Han & Jean LLC paid the base Residential Rental Housing Fees for prior Fiscal Years on January 9, 2023.

Upon additional research, Rent Program staff verified a prior late fee waiver had been submitted to the Program and approved in April 2021, for prior years Rental Housing Fee.

Payment History

Where a requestor has made timely payments in the prior two (2) fiscal years, their request shall be ministerially granted. Such requests do not require a showing of Good Cause and are not subject to the provisions of Regulation 425 (D) and Regulation 425 (E). Regulation 435 (D) and (E), provide the factors required when making a determining of good cause.

In this case, timely payments were not made during the last two fiscal years, disallowing the possibility of a ministerial waiver.

Evaluation of Owner's Claim of Good Cause

No Late Fee waiver request shall be granted unless there is a sufficient demonstration of Good Cause. In their consideration, the Executive Director must evaluate the following factors, whenever present, when making a determination of Good Cause:

1. *Whether the failure to remit timely payment was due to a Rent Program billing error, such as an incorrect address, an incomplete invoice, or an invoice sent to the wrong owner;*
2. *Whether the requestor is a successor in interest who has not received an invoice.*
3. *Whether the requestor is experiencing a financial hardship that is caused by circumstances beyond the Landlord's control;*
4. *Whether the requestor experienced a medical emergency, medical treatment, hospitalization, or death in the family within the billing period;*
5. *Whether the requestor had submitted a request for an Administrative Determination of Exempt/Applicability Status within the billing period;*
6. *Whether the requestor's Tenant(s) have experienced a COVID-19 related financial hardship that has impacted the Tenant's ability to pay Rent;*
7. *Late payment History.*

8. *Any other circumstances relevant to the inquiry of Good Cause.*

Rent Program staff confirmed Han & Jean LLC paid the base Residential Rental Housing Fees for prior Fiscal Years on January 9, 2023.

Rent Program staff verified with Contra Costa County records that 210 Tunnel Avenue is a Residential Apartment built in 1912.

Staff Recommendation

Han & Jean LLC displayed good faith efforts to be compliant by contacting the Rent Program to inquire about the invoices, being enrolled with the Rent Program, and paying all past fees due. Staff recommends a partial waiver of the late fees to at least a 10% percent assessment pursuant to Rent Board Regulation 425 G (3). Regulation 425 G (3) requires that if there was one late fee waiver request granted in the prior three fiscal years, the late fee assessment shall be reduced to at least a 10% percent assessment. Since a late fee waiver was previously granted for in April 2021, a 10% late fee penalty of \$406.80 should be assessed.

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City of Richmond



Request to Remove Late Fees

Property Owner Name: HAN & JEAN LLC 210 Tunnel Ave Richmond CA 94801FRJC #: [REDACTED]Property Owner Phone Number or Email: [REDACTED]The Property Owner has requested the removal of late fees on their account totaling \$ 408.⁶⁰/₁₀₀ for the following reason:

- ☐ New Owner, did not receive invoice
- ☐ Wrong Mailing Address
- ☐ Owner believed property was exempt from the Rent Ordinance
- ☐ Financial hardship, caused by circumstances beyond the Landlord's control, such as natural disaster, destruction or major damage to the Rental Property not due to the Landlords actions, bankruptcies and disputes over ownership of the property.
- ☐ Hospitalizations or medical treatments of the Landlord or Landlord's family during the fee billing period, or a death in the family within the fee billing period
- ☐ The landlord was billed for a fewer number of units because of errors in property records maintained by the Rent Program where the error was not attributable to information supplied by the Landlord. The penalties are waived only for unbilled units; the billed units should be paid on time.
- ☐ A previously enrolled property was not billed as a result of staff error.
- ☐ An invalid or erroneous account number was assigned, which resulted in billing errors or improper crediting of payments by the landlord.
- ☐ The determination of whether or not the property was subject to the Ordinance required an analysis through the existing Administrative Determination of Exempt Status process. Penalties will be waived only while the determinations pending. If the Landlord raised the issue requiring administrative determination, penalties will be waived only from the date of the first written contact with the Board in which the issue was raised. Waiver of penalties will not be granted if the staff determines that the issue raised is already settled and/or has no substantial merit. If the issue was raised by Rent Board staff, the waiver period commences on the date on which the administrative determination was requested by the staff. In all situations in which a determination was requested, the waiver period terminates when the Landlord is notified of the determination regarding the status of his/her property.
- ☐ The property owner was unable to collect some or all of the rent due to the COVID-19 pandemic and the resulting hardship led to non-payment of the Rental Housing Fee. In this case, the property owner must declare under penalty of perjury, in detail, how COVID-19 has impacted their business (i.e. how many month's tenants didn't pay rent, illness in the family or self, etc.)
- ☒ Other: DID NOT RECEIVED THE INVOICE. WAITING FOR LONG TIME. FINALLY CALL FOR INVOICE. NOW PAID \$408.⁶⁰/₁₀₀ ON 10/20/2022

Declaration & Signature:

I declare under penalty of perjury under the laws of the State of California that every statement in this Late Fee Waiver Request is true and correct to the best of my knowledge and belief.

Signature of Landlord/Property Manager: [Signature] Date: 10/20/2022Printed Name: HANTE DAUG

Rent Program Staff Use Only:

This request has been conditionally granted by the Rent Board, provided the owner pays the Rental Housing Fee before _____.

Executive Director Signature: _____ Staff Initials: _____

Date: ____/____/____

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To: Members of the Richmond Rent Board

From: Fred Tran, Deputy Director

Re: Late Fee Waiver Recommendation – 529 21st Street

Date: February 27, 2024

Late Fee Waiver Recommendations Pursuant to Regulation 425

As required by Regulation 425, the Executive Director or his or her designee shall review all late fee waiver requests and issue a recommendation for the Rent Board to approve the waiver, in full or in part, or deny the waiver, based on the Landlord's reason for requesting the waiver and their payment history. Attached to this recommendation are the compiled late fee waiver requests and associated documentation including the table below with details on each month's request.

Summary of Late Fee Waiver Requests and Recommendation for February 2024:

Property Owner	Date of Request	Reason for Request	Recommendation to Approve or Deny	Late Fee Amount	Total Late Fees Waived if Approved	Recommended Late Fee Amount (if any)
John Hayden	February 24, 2023	Transfer of Property Management Company	Full waiver of late fees	\$1,582.00	\$1,582.00	None

Good Cause and Late Payment History

Regulation 425 requires a showing of Good Cause prior to waiving any late fee assessment. Good Cause is defined as the taking of reasonable efforts, while acting with due diligence to remit timely payment of the Residential Rental Housing Fee. In other words, it is an evaluation of whether the Landlord took reasonable efforts and acted with due diligence in their attempt to pay the Residential Rental Housing Fee. Regulation 425 guides this inquiry by requiring the Executive Director evaluate applicable enumerated factors (Attachment 1) prior to deciding of whether there exists Good Cause to grant the request. Finally, Regulation 425 establishes that a Rent Program billing error would always constitute Good Cause to waive the late fee assessment.

Claim of “Good Cause”

In the request dated February 24, 2023, (Attachment 1) John Hayden the property owner of 529 21st Street indicated that due to the transfer of the property management, the previous company never forwarded mail and did not receive a Rental Housing Fee invoice. In February 2023 the new property management company contacted the City of Richmond to inquire about the rental units being in compliance with the Rent Program. Staff informed them of the outstanding invoice and enrollment updated form. Payment was made on March 16, 2023 and staff confirmed that the updated property management company had been enrolled in February 2023 once the requirements were explained.

Payment History

Where a requestor has made timely payments in the prior two (2) fiscal years, their request shall be ministerially granted. Such requests do not require a showing of Good Cause and are not subject to the provisions of Regulation 425 (D) and Regulation 425 (E). Regulation 425 (D) and (E), provide the factors required when making a determining of good cause.

In this case, the owner had not previously submitted a Late Fee Waiver request.

Evaluation of Owner’s Claim of Good Cause

No Late Fee waiver request shall be granted unless there is a sufficient demonstration of Good Cause. In their consideration, the Executive Director must evaluate the following factors, whenever present, when making a determination of Good Cause:

1. *Whether the failure to remit timely payment was due to a Rent Program billing error, such as an incorrect address, an incomplete invoice, or an invoice sent to the wrong owner;*
2. *Whether the requestor is a successor in interest who has not received an invoice.*
3. *Whether the requestor is experiencing a financial hardship that is caused by circumstances beyond the Landlord’s control;*
4. *Whether the requestor experienced a medical emergency, medical treatment, hospitalization, or death in the family within the billing period;*
5. *Whether the requestor had submitted a request for an Administrative Determination of Exempt/Applicability Status within the billing period;*
6. *Whether the requestor’s Tenant(s) have experienced a COVID-19 related financial hardship that has impacted the Tenant’s ability to pay Rent;*
7. *Late payment History.*
8. *Any other circumstances relevant to the inquiry of Good Cause.*

Rent Program staff confirmed the base Residential Rental Housing Fee for the outstanding Fiscal Year was paid on March 16, 2023 when notified of the amount due.

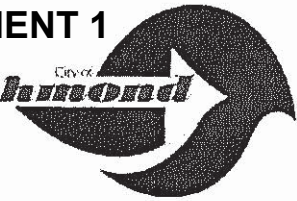
Rent Program staff verified with Contra Costa County records that the property is designated as a 14-unit building that was built in 1965.

The new property management company demonstrated Good Cause that warrants a waiver of late fees with a timely payment when they receive the invoice and updated the enrollment form. The fees were paid immediately once informed of the outstanding amount.

Staff Recommendation

John Hayden and the property managers demonstrated good faith efforts to come into compliance by contacting the Rent Program to inquire about the Program, paying the Residential Rental Housing Fees when the invoice was provided, and enrolling with the Program. Considering these factors, staff recommend that a full waiver of late fees in the amount of \$1,582.00 be granted.

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Request to Remove Late Fees

Property Owner Name: JOHN HENDEN

FRJC #:

Property Owner Phone Number or Email:

- ☒ The Property Owner is requesting the removal of all late fees on their account.
- ☐ The Property Owner is requesting the removal of partial late fees on their account totaling \$_____.

Check all that apply (required for request to be complete):

- ☐ New Owner, did not receive invoice
- ☐ Wrong Mailing Address - Please provide correct address: _____
- ☐ Owner believed property was exempt from the Rent Ordinance
- ☐ Financial hardship, caused by circumstances beyond the Landlord's control, such as natural disaster, destruction or major damage to the Rental Property not due to the Landlords actions, bankruptcies and disputes over ownership of the property.
- ☐ Hospitalizations or medical treatments of the Landlord or Landlord's family during the fee billing period, or a death in the family within the fee billing period
- ☐ The landlord was billed for a fewer number of units because of errors in property records maintained by the Rent Program where the error was not attributable to information supplied by the Landlord. The penalties are waived only for unbilled units; the billed units should be paid on time.
- ☐ A previously enrolled property was not billed as a result of staff error.
- ☐ An invalid or erroneous account number was assigned, which resulted in billing errors or improper crediting of payments by the landlord.
- ☐ The determination of whether or not the property was subject to the Ordinance required an analysis through the existing Administrative Determination of Exempt Status process. Penalties will be waived only while the determinations pending. If the Landlord raised the issue requiring administrative determination, penalties will be waived only from the date of the first written contact with the Board in which the issue was raised. Waiver of penalties will not be granted if the staff determines that the issue raised is already settled and/or has no substantial merit. If the issue was raised by Rent Board staff, the waiver period commences on the date on which the administrative determination was requested by the staff. In all situations in which a determination was requested, the waiver period terminates when the Landlord is notified of the determination regarding the status of his/her property.
- ☒ The property owner was unable to collect some or all of the rent due to the COVID-19 pandemic and the resulting hardship led to non-payment of the Rental Housing Fee. In this case, the property owner must declare under penalty of perjury, in detail, how COVID-19 has impacted their business (i.e. how many month's tenants didn't pay rent, illness in the family or self, etc.)
- ☒ Other: TRANSFER OF PROPERTY MANAGEMENT, PREVIOUS PM COMPANY NEVER FORWARDED MAIL TO NEW COMPANY

Declaration & Signature:

I declare under penalty of perjury under the laws of the State of California that every statement in this Late Fee Waiver Request is true and correct to the best of my knowledge and belief.

Signature of Landlord/Property Manager:

Date: 02 / 24 / 23

Printed Name: Stavla Escobar, Agent for owner.

Rent Program Staff Use Only:

The late fee amount on the account is a total of \$ _____

Staff Member Name:

Date: / /

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To: Members of the Richmond Rent Board

From: Fred Tran, Deputy Director

Re: Late Fee Waiver Recommendation – 701 Lincoln Avenue

Date: February 27, 2024

Late Fee Waiver Recommendations Pursuant to Regulation 425

As required by Regulation 425, the Executive Director or his or her designee shall review all late fee waiver requests and issue a recommendation for the Rent Board to approve the waiver, in full or in part, or deny the waiver, based on the Landlord's reason for requesting the waiver and their payment history. Attached to this recommendation are the compiled late fee waiver requests and associated documentation including the table below with details on each month's request.

Summary of Late Fee Waiver Requests and Recommendation for February 2024:

Property Owner	Date of Request	Reason for Request	Recommendation to Approve or Deny	Late Fee Amount	Total Late Fees Waived if Approved	Recommended Late Fee Amount (if any)
Leonardo Lopez	February 27, 2023	New Owner, did not receive invoice	Full waiver of late fees	\$1,284.00	\$1,284.00	None

Good Cause and Late Payment History

Regulation 425 requires a showing of Good Cause prior to waiving any late fee assessment. Good Cause is defined as the taking of reasonable efforts, while acting with due diligence to remit timely payment of the Residential Rental Housing Fee. In other words, it is an evaluation of whether the Landlord took reasonable efforts and acted with due diligence in their attempt to pay the Residential Rental Housing Fee. Regulation 425 guides this inquiry by requiring the Executive Director evaluate applicable enumerated factors (Attachment 1) prior to deciding of whether there exists Good Cause to grant the request. Finally, Regulation 425 establishes that a Rent Program billing error would always constitute Good Cause to waive the late fee assessment.

Claim of "Good Cause"

In the request dated February 27, 2023, (Attachment 1) Leonardo Lopez the property owner of 701 Lincoln Avenue indicated that due to being a new owner, he did not receive a Rental Housing Fee invoice. In February 2023 Leonardo Lopez contacted the City of Richmond to inquire about the rental units being in compliance with the Rent Program. Staff informed him of the outstanding invoice balance and enrollment form. Payment was made on March 3, 2023 and staff confirmed that the updated enrollment form was completed on February 23, 2023 once the requirements were explained.

Payment History

Where a requestor has made timely payments in the prior two (2) fiscal years, their request shall be ministerially granted. Such requests do not require a showing of Good Cause and are not subject to the provisions of Regulation 425 (D) and Regulation 425 (E). Regulation 425 (D) and (E), provide the factors required when making a determining of good cause.

In this case, the owner had not previously submitted a Late Fee Waiver request.

Evaluation of Owner's Claim of Good Cause

No Late Fee waiver request shall be granted unless there is a sufficient demonstration of Good Cause. In their consideration, the Executive Director must evaluate the following factors, whenever present, when making a determination of Good Cause:

1. *Whether the failure to remit timely payment was due to a Rent Program billing error, such as an incorrect address, an incomplete invoice, or an invoice sent to the wrong owner;*
2. *Whether the requestor is a successor in interest who has not received an invoice.*
3. *Whether the requestor is experiencing a financial hardship that is caused by circumstances beyond the Landlord's control;*
4. *Whether the requestor experienced a medical emergency, medical treatment, hospitalization, or death in the family within the billing period;*
5. *Whether the requestor had submitted a request for an Administrative Determination of Exempt/Applicability Status within the billing period;*
6. *Whether the requestor's Tenant(s) have experienced a COVID-19 related financial hardship that has impacted the Tenant's ability to pay Rent;*
7. *Late payment History.*
8. *Any other circumstances relevant to the inquiry of Good Cause.*

Rent Program staff confirmed the base Residential Rental Housing Fee for the outstanding Fiscal Year was paid on March 3, 2023 when notified of the amount due. Rent Program staff verified with Contra Costa County records that the property is designated as a Triplex building that was built in 1965.

The new property owner demonstrated Good Cause that warrants a waiver of late fees with a timely payment when he received the invoice and updated the enrollment form. The fees were paid immediately once informed of the outstanding amount.

Staff Recommendation

Leonardo Lopez demonstrated good faith efforts to come into compliance by contacting the Rent Program to inquire about the Program, paying the Residential Rental Housing Fees when the invoice was provided, and enrolling with the Program. Considering these factors, staff recommend that a full waiver of late fees in the amount of \$1,284.00 be granted.

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Request to Remove Late Fees

Property Owner Name: Leonardo Lopez

FRJC #: [REDACTED]

Property Owner Phone Number or Email: [REDACTED]

The Property Owner has requested the removal of late fees on their account totaling \$ 1,284.00 for the following reason:

- ☒ New Owner, did not receive invoice
- ☐ Wrong Mailing Address
- ☐ Owner believed property was exempt from the Rent Ordinance
- ☐ Financial hardship, caused by circumstances beyond the Landlord's control, such as natural disaster, destruction or major damage to the Rental Property not due to the Landlord's actions, bankruptcies and disputes over ownership of the property.
- ☐ Hospitalizations or medical treatments of the Landlord or Landlord's family during the fee billing period, or a death in the family within the fee billing period
- ☐ The landlord was billed for a fewer number of units because of errors in property records maintained by the Rent Program where the error was not attributable to information supplied by the Landlord. The penalties are waived only for unbilled units; the billed units should be paid on time.
- ☐ A previously enrolled property was not billed as a result of staff error.
- ☐ An invalid or erroneous account number was assigned, which resulted in billing errors or improper crediting of payments by the landlord.
- ☐ The determination of whether or not the property was subject to the Ordinance required an analysis through the existing Administrative Determination of Exempt Status process. Penalties will be waived only while the determinations pending. If the Landlord raised the issue requiring administrative determination, penalties will be waived only from the date of the first written contact with the Board in which the issue was raised. Waiver of penalties will not be granted if the staff determines that the issue raised is already settled and/or has no substantial merit. If the issue was raised by Rent Board staff, the waiver period commences on the date on which the administrative determination was requested by the staff. In all situations in which a determination was requested, the waiver period terminates when the Landlord is notified of the determination regarding the status of his/her property.
- ☐ The property owner was unable to collect some or all of the rent due to the COVID-19 pandemic and the resulting hardship led to non-payment of the Rental Housing Fee. In this case, the property owner must declare under penalty of perjury, in detail, how COVID-19 has impacted their business (i.e. how many month's tenants didn't pay rent, illness in the family or self, etc.)
- ☐ Other: _____

Declaration & Signature:

I declare under penalty of perjury under the laws of the State of California that every statement in this Late Fee Waiver Request is true and correct to the best of my knowledge and belief.

Signature of Landlord/Property Manager: Leonardo Lopez Date: 2/27/2023

Printed Name: Leonardo Lopez

Rent Program Staff Use Only:

This request has been conditionally granted by the Rent Board, provided the owner pays the Rental Housing Fee before _____.

Executive Director Signature: _____

Staff Initials: _____

Date: ____/____/____

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To: Members of the Richmond Rent Board

From: Fred Tran, Deputy Director

Re: Late Fee Waiver Recommendation – 3329 Wall Avenue and 420 37th Street

Date: February 27, 2024

Late Fee Waiver Recommendations Pursuant to Regulation 425

As required by Regulation 425, the Executive Director or his or her designee shall review all late fee waiver requests and issue a recommendation for the Rent Board to approve the waiver, in full or in part, or deny the waiver, based on the Landlord's reason for requesting the waiver and their payment history. Attached to this recommendation are the compiled late fee waiver requests and associated documentation including the table below with details on each month's request.

Summary of Late Fee Waiver Requests and Recommendation for February 2027:

Property Owner	Date of Request	Reason for Request	Recommendation to Approve or Deny	Late Fee Amount	Total Late Fees Waived if Approved	Recommended Late Fee Amount (if any)
Mehari Gebremichael	March 1, 2023	Wrong Mailing Address	Full waiver of late fees	\$365.50	\$365.50	None

Good Cause and Late Payment History

Regulation 425 requires a showing of Good Cause prior to waiving any late fee assessment. Good Cause is defined as the taking of reasonable efforts, while acting with due diligence to remit timely payment of the Residential Rental Housing Fee. In other words, it is an evaluation of whether the Landlord took reasonable efforts and acted with due diligence in their attempt to pay the Residential Rental Housing Fee. Regulation 425 guides this inquiry by requiring the Executive Director evaluate applicable enumerated factors (Attachment 1) prior to making a determination of whether there exist Good Cause to grant the request. Finally, Regulation 425 establishes that a Rent Program billing error would always constitute Good Cause to waive the late fee assessment.

Claim of “Good Cause”

In the request dated March 1, 2023, (Attachment 1) Mehari Gebremichael the property owner of 3329 Wall Avenue and 420 37th Street indicated that he did not receive any invoices in the past because of a wrong mailing address. He paid the outstanding Residential Rental Housing Fees on April 12, 2023 when he was informed a balance was due.

Rent Program staff confirmed Mehari Gebremichael met the requirements of enrolling the properties on March 7, 2023. Rent Program staff confirmed Mehari Gebremichael paid the base Residential Rental Housing Fees for the prior Fiscal Years on April 12, 2023.

Upon additional research, Rent Program staff verified no prior late fee waiver had been submitted to the Program for prior years.

Payment History

Where a requestor has made timely payments in the prior two (2) fiscal years, their request shall be ministerially granted. Such requests do not require a showing of Good Cause and are not subject to the provisions of Regulation 425 (D) and Regulation 425 (E). Regulation 435 (D) and (E), provide the factors required when making a determining of good cause.

In this case, no prior late fee waiver had been submitted to the Program for the properties.

Evaluation of Owner’s Claim of Good Cause

No Late Fee waiver request shall be granted unless there is a sufficient demonstration of Good Cause. In their consideration, the Executive Director must evaluate the following factors, whenever present, when making a determination of Good Cause:

1. *Whether the failure to remit timely payment was due to a Rent Program billing error, such as an incorrect address, an incomplete invoice, or an invoice sent to the wrong owner;*
2. *Whether the requestor is a successor in interest who has not received an invoice.*
3. *Whether the requestor is experiencing a financial hardship that is caused by circumstances beyond the Landlord’s control;*
4. *Whether the requestor experienced a medical emergency, medical treatment, hospitalization, or death in the family within the billing period;*
5. *Whether the requestor had submitted a request for an Administrative Determination of Exempt/Applicability Status within the billing period;*
6. *Whether the requestor’s Tenant(s) have experienced a COVID-19 related financial hardship that has impacted the Tenant’s ability to pay Rent;*
7. *Late payment History.*

8. *Any other circumstances relevant to the inquiry of Good Cause.*

Rent Program staff verified with Contra Costa County records that 3329 Wall Avenue is a Single-Family Home built in 1971 and 420 37th Street is a Single-Family Home built in 1944.

Staff Recommendation

Mehari Gebremichael displayed good faith efforts to be compliant by contacting the Rent Program to inquire about the outstanding invoices, being enrolled with the Rent Program, and paying all past fees due (minus late fees). Considering these factors, staff recommend that a full waiver of late fees in the amount of \$365.50 be granted.

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Request to Remove Late Fees

Property Owner Name: MEHARI GEBREMICAEL

FRJC #: [REDACTED]

Property Owner Phone Number or Email: [REDACTED]

The Property Owner has requested the removal of late fees on their account totaling \$ 365.50 for the following reason:

- ☐ New Owner, did not receive invoice
- ☒ Wrong Mailing Address
- ☐ Owner believed property was exempt from the Rent Ordinance
- ☐ Financial hardship, caused by circumstances beyond the Landlord's control, such as natural disaster, destruction or major damage to the Rental Property not due to the Landlords actions, bankruptcies and disputes over ownership of the property.
- ☐ Hospitalizations or medical treatments of the Landlord or Landlord's family during the fee billing period, or a death in the family within the fee billing period
- ☐ The landlord was billed for a fewer number of units because of errors in property records maintained by the Rent Program where the error was not attributable to information supplied by the Landlord. The penalties are waived only for unbilled units; the billed units should be paid on time.
- ☐ A previously enrolled property was not billed as a result of staff error.
- ☐ An invalid or erroneous account number was assigned, which resulted in billing errors or improper crediting of payments by the landlord.
- ☐ The determination of whether or not the property was subject to the Ordinance required an analysis through the existing Administrative Determination of Exempt Status process. Penalties will be waived only while the determinations pending. If the Landlord raised the issue requiring administrative determination, penalties will be waived only from the date of the first written contact with the Board in which the issue was raised. Waiver of penalties will not be granted if the staff determines that the issue raised is already settled and/or has no substantial merit. If the issue was raised by Rent Board staff, the waiver period commences on the date on which the administrative determination was requested by the staff. In all situations in which a determination was requested, the waiver period terminates when the Landlord is notified of the determination regarding the status of his/her property.
- ☐ The property owner was unable to collect some or all of the rent due to the COVID-19 pandemic and the resulting hardship led to non-payment of the Rental Housing Fee. In this case, the property owner must declare under penalty of perjury, in detail, how COVID-19 has impacted their business (i.e. how many month's tenants didn't pay rent, illness in the family or self, etc.)

☒ Other: Through the years I've come to pay the Business License fee in person and I was never asked or told to pay

Declaration & Signature: this fee. Never received any communication from
I declare under penalty of perjury under the laws of the State of California that every statement in this Late Fee Waiver Request is true and correct to the best of my knowledge and belief.

Signature of Landlord/Property Manager: Mehari Gebremicael Date: 3/01/2023

Printed Name: MEHARI GEBREMICAEL

Rent Program Staff Use Only:

This request has been conditionally granted by the Rent Board, provided the owner pays the Rental Housing Fee before _____.

Executive Director Signature: _____ Staff Initials: _____

Date: ____/____/____

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